
OverNet Computer Services

Mechanic helpdesk query

How To Process Drawings.

This process shows how Mechanic can process drawings - where an amount is deducted from the bank account and used to pay the business owner.

NOTE: The use of drawings does not cater for superannuation or any form of tax. Refer to you accountant for assistance on superannuation contributions.

SUMMARY: Use a direct purchase to “withdraw” the funds from the bank.

OTHER USES FOR DRAWINGS:

Use the drawings ledger when the businesses credit card it used to purchase personal items. Instead of moving cash around, simply use a direct purchase to reduce the drawings balance.

STEP 1: CREATE A DRAWINGS LEDGER.

Use the 5,3,1 program to create a DRAWINGS ledger. Note that it is an expense account that is “F”ree of GST.

The screenshot shows a computer window titled "MECH V11" with a blue background. The main title "Ledger Maint" is displayed in a large, yellow, outlined font. Below this, there is a form titled "EDIT LEDGER" with a yellow border. The form contains the following fields:

EDIT LEDGER	
Ledger Code	DRAWINGS
Description	DRAWINGS <EXPENSE>
Group	E <A/L/I/E>
Account Number	GST Type F
Further Info	Status N
Current Balance	0.00

At the bottom left of the form, there is a red button labeled "EDIT". At the bottom of the window, the copyright notice "Copyright (c) 1990-2005" and the company name "Soltec (Aust) Pty Ltd" are displayed.

STEP 2: ENTERING TRANSACTIONS

Use the 2,5,1 program to enter the following direct purchase. This transaction is used to show a withdrawal to pay the business owner.

MECHANIC TRAINING EMPTY

DRAWINGS **DRAWINGS EXPENSE**

Opening Balance	0.00
Current Balance	700.00

Date	Docket	Ref#	Comment	+DR -CR	Amount
25 Oct 05	DP-2	Direct	#001234		700.00

Cheque Payment to Supplier Account

25 Oct 2005	Remittance No	DP-2
Supplier Acct	DRAWINGS	F4
Amount	700.00	F6
Cheque No.	#001234	
Payee	Mr W. Freeman	
Comment		
Purchase No.	Direct	

The following screen shows a different method of doing a drawings transaction. We got the business to pay the restaurant bill using the businesses credit card. The businesses credit card is setup as a supplier which allows the bank statement to be reconciled easily.

MECHANIC TRAINING EMPTY

2 MECHANIC MOTORS PTY LTD PURCHASE P

BUSINESS CREDIT CARD (VISA) General 123.45 Purchase No: P-3

C/O ANZ CARDS Parts 0.00 Start Date: 25 Oct 2005

GST 0.00

Total 123.45 Supplier: VISA C-CARD

Supplier Invoice No. REC 4560 Date 25/10/05 Posted Date: 25 Oct 2005

Description	Asset or Exp Acct	COST
Took the wife to a resturant.	DRAWINGS	123.45

© Copyright Notice:

This document is copyright to OverNet Computer Services. Reproduction in any way whatsoever without the express written permission of OverNet Computer Service is strictly prohibited. Any infringement will be pursued to the full extent of the law.

MECHANIC
WORKSHOP MANAGER

OverNet Computer Services 9 Cerutti Way, Wantirna South, Victoria, Australia, 3152.
Ph. 1300-880-193 Fax.(03) 9801-6114 Website. www.overnet.net.au